R4105-6

The Conference Board

Economic and Business Environment Program

MONTHLY UPDATE TO

International Economic Scoreboard

A Monthly Report from The Conference Board — September 1989

SUMMARY

Worldwide, the global expansion continues but at a somewhat slower pace, with the 11-country performance index slowing from five percent to four percent. The leading index suggests this slowing will continue.

Regionally, the greatest strength is in the PacificRegion, the greatest weakness in North America, with Europe in between. In all three regions, however, the leading indexes point to a slowdown.

Nationally, the leading index growth rates have dropped to minus one percent in France, and to zero in the U.S., Canada, Australia and the U.K. The leading index for Japan is still moving up rapidly.

The leading indexes are exhibiting the widest display of weakness so far this year, suggesting that economic growth will continue to slow down in most countries. So far, however, there are no clear signs of recession among the eleven countries, although a downturn may be developing in Italy.

Summary Of Growth Rates, Eleven Industrial Countries

	Ten-year Growth Rate	Indexes of Economic Performance Growth Rates*			Leading Business Cycle Indexes Growth Rates*			Current Reading on the Cycle	Latest Month Covered
	1976-86	6 mos. ago	3 mos. ago	Latest month	6 mos. ago	3 mos. ago	Latest month		
	annual rates, percent								
Eleven countries	3	5	6	4	8	8	6	Expansion continuing	June
Ten countries excl. U.S.	3	6	8	5	10	11	10	Expansion continuing, leaders strong	June
North America (2)	3	4	4	3	4	2	1	Expansion continuing, leaders weak	June
Europe (4)	2	6	5	5	5	4	3	Expansion continuing	June
Pacific Region (5)	4	7	12	6	16	21	18	Expansion continuing, leaders strong	June
United States	3	4	4	3	5	3	0	Expansion continuing, leaders weak	July
Canada	3	4	3	3	1	1	0	Expansion continuing, leaders weak	June
West Germany	2	5	5	4	6	7	4	Expansion continuing	July/June
France	2	8	8	6	8	3	-1	Expansion continuing, leaders weak	June/July
United Kingdom	2	6	5	5	2	1	0	Expansion continuing, leaders weak	June
Italy	2	3	1	-1	3	1	2	Downturn may be developing	Apr./June
Japan	4	7	13	6	18	24	21	Expansion continuing, leaders strong	June
Australia	3	10	10	11	2	2	0	Expansion continuing, leaders weak	June
Taiwan, R.O.C.	8	9	5	2	10	7	7	Expansion continuing	July
Korea, R.O.K.	7	6	9	3	11	8	2	Expansion continuing	June
New Zealand	2	-3	1	2	3	5	5	Upturn developing	Feb./June

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate.

The Conference Board
845 Third Avenue, New York, N.Y. 10022 / (212) 759-0900

The indexes are prepared by the Center for International Business Cycle Research, Columbia University. Reproduction permissible with full citation to The Conference Board as source. Published monthly at 845 Third Avenue, New York, New York 10022.

Copyright © 1989 by The Conference Board, Inc.

INDEXES, WORLDWIDE AND BY REGION, 1987-89

		11 Countries		10 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (5)	
		Indexes, 1980 = 100									
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Oct.	87	120	133	121	133	120	132	113	118	134	161
Nov.	87	121	132	122	132	120	131	113	117	135	159
Dec.	87	122	132	123	132	121	132	114	117	136	157
Jan.	88	122	132	124	132	121	132	115	118	137	157
Feb.	88	123	133	125	132	122	132	115	118	139	156
Mar.	88	124	134	125	134	123	133	116	119	140	161
Apr.	88	124	135	125	136	123	132	116	119	139	166
May	88	124	136	126	138	123	132	117	120	139	170
June	88	125	138	127	139	124	134	117	120	141	172
July	88	126	138	127	140	124	133	118	121	141	174
Aug.	88	126	139	128	141	124	135	118	121	142	176
Sept.	88	127	139	128	141	125	135	119	122	143	174
Oct.	88	127	139	129	141	126	135	119	122	144	174
Nov.	88	128	140	130	142	126	136	120	123	145	175
Dec.	88	128	142	130	144	126	136	121	123	146	182
Jan.	89	129	144	131	147	127	137	121	124	146	188
Feb.	89	130	144	131	149	127	137	122	124	147	193
Mar.	89	131	145	133	150	128	136	122	124	152	194
Apr.	89	130	146	132	151	128	137	122	124	148	198
May	89	130	146	132	151	128	136	122	125	148	199
June	89	131	146	133	152	128	136	123	125	150	201

11 Countries		10 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (5)	
Growth Rates, Percent									
Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
6	11	6	13	6	7	5	3	7	28
6	7	6	9	6	5	5	1	7	20
7	6	7	7	7	4	6	1	8	14
6	5	7	5	5	3	6	2	8	10
7	4	8	4	6	3	6	2	10	6
7	4	8	6	6	3	6	3	9	10
6	5	6	7	6	1	6	2	8	13
6	5	6	9	5	1	6	3	6	16
6	7	6	9	6	3	6	4	8	15
6	6	6	9	5	1	6	4	7	15
6	7	6	9	5	4	6	5	6	15
5	6	6	8	4	3	6	5	7	12
5	5	5	7	5	3	5	5	6	10
5	6	6	7	4	3	6	5	7	10
5	8	6	10	4	4	6	5	7	16
5	9	6	12	4	5	6	6	7	21
5	9	6	12	5	4	6	5	6	23
5	8	8	11	4	2	5	4	12	21
5	8	5	11	4	3	5	3	6	22
4	7	4	10	3	2	4	3	5	19
4	6	5	10	3	1	5	3	6	18
Ten Year Annual Growth Rate, Percent									
3	3	3	3	3	3	2	2	4	4

INDEXES, ELEVEN COUNTRIES, 1987-89

		U.S.		Canada		West Germany		France		U.K.		Italy		Japan		Australia		Taiwan, R.O.C.		Korea, R.O.K.		New Zealand	
		Indexes, 1980 = 100																					
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Oct.	87	119	133	125	122	111	117	119	121	112	117	108	115	132	164	125	123	171	194	189	188	114	115
Nov.	87	120	132	126	123	112	116	120	121	113	116	107	115	133	161	125	122	171	191	192	194	114	114
Dec.	87	121	133	127	123	112	116	121	121	114	116	108	115	134	160	127	122	171	193	198	197	113	113
Jan.	88	120	133	127	124	112	117	122	121	114	117	110	114	135	158	127	122	170	192	201	201	112	113
Feb.	88	121	133	128	125	112	118	122	122	115	117	110	115	136	158	129	123	175	197	203	202	111	112
Mar.	88	122	133	129	125	113	118	123	123	116	117	111	116	137	163	130	124	172	201	204	205	111	112
Apr.	88	122	133	129	125	112	118	123	122	116	117	111	116	137	169	129	126	173	202	200	202	110	112
May	88	122	133	129	125	113	119	124	124	117	118	111	117	137	174	129	127	174	205	199	203	110	112
June	88	123	135	130	125	114	119	125	126	117	118	112	117	139	176	132	128	175	206	201	207	110	112
July	88	124	134	130	124	114	121	126	126	118	118	113	117	139	178	132	128	178	209	200	209	110	111
Aug.	88	124	136	131	125	115	121	127	126	118	118	113	118	140	180	132	129	180	215	204	212	110	112
Sept.	88	124	136	131	125	115	121	128	128	118	118	112	118	140	178	135	129	181	217	205	209	111	112
Oct.	88	125	136	131	124	115	121	128	129	119	118	112	119	141	178	136	128	180	217	208	212	111	114
Nov.	88	125	136	132	124	115	122	130	130	120	120	113	119	142	178	136	129	184	219	208	216	112	115
Dec.	88	126	138	132	125	116	123	130	130	121	119	113	118	143	187	138	128	184	218	209	219	112	114
Jan.	89	126	138	133	126	117	124	131	131	121	120	112	119	144	194	139	128	185	219	212	218	112	115
Feb.	89	127	138	133	125	118	125	132	130	122	119	113	119	144	200	142	128	184	219	214	213	112	116
Mar.	89	127	137	133	126	118	126	133	131	122	119	112	119	149	202	141	129	186	226	214	219		116
Apr.	89	127	138	133	126	118	126	133	130	122	119	112	119	145	206	144	128	185	223	210	219		117
May	89	127	138	133	125	118	125	133	131	123	120		119	145	207	142	130	188	223	208	219		117
June	89	127	137	134	125	119	125	134	132	123	119		119	147	209	146	129	186	227	212	217		117
July	89	128	137			119			129									185	228				
Growth Rates, Percent																							
Oct.	87	6	7	7	5	3	5	7	4	7	2	4	0	6	32	6	8	10	18	12	9	3	−1
Nov.	87	6	5	7	6	4	3	7	3	7	0	3	−1	7	22	5	6	7	13	13	13	3	−4
Dec.	87	6	4	7	5	4	2	7	3	8	−1	4	−1	7	16	8	5	6	13	17	14	1	−4
Jan.	88	5	3	7	6	3	3	8	3	8	2	6	−2	8	10	7	4	4	9	18	16	−2	−4
Feb.	88	6	3	7	5	4	3	8	4	8	1	6	0	9	6	8	5	8	12	18	14	−3	−5
Mar.	88	6	2	7	5	4	3	8	5	8	1	6	2	9	10	9	6	4	14	15	15	−3	−5
Apr.	88	6	1	6	4	3	4	7	3	8	1	6	2	8	14	6	6	4	12	10	9	−3	−5
May	88	5	0	6	3	4	4	7	5	8	2	6	3	7	17	5	8	4	14	7	9	−3	−4
June	88	6	3	6	3	4	4	8	7	7	2	6	3	8	16	8	7	5	12	7	11	−3	−3
July	88	5	1	5	1	3	5	8	6	6	2	7	3	7	16	8	6	6	13	5	11	−3	−4
Aug.	88	5	5	5	1	5	5	8	6	5	2	5	4	7	16	6	8	8	17	7	13	−5	−2
Sept.	88	4	3	5	1	4	4	9	8	6	1	4	3	7	13	9	6	8	16	6	7	−2	−1
Oct.	88	5	3	4	0	3	5	7	9	6	1	3	4	6	11	10	3	6	15	7	9	−1	1
Nov.	88	4	4	4	0	4	4	8	9	7	4	4	3	7	10	8	5	10	14	7	10	1	4
Dec.	88	4	5	4	1	5	6	8	8	6	2	4	3	7	18	10	2	8	11	6	11	1	3
Jan.	89	4	5	4	1	5	7	9	8	6	4	1	3	7	24	11	3	9	10	8	9	2	4
Feb.	89	5	4	4	1	5	8	8	6	6	2	1	2	6	27	12	2	6	8	8	3	2	4
Mar.	89	4	2	3	1	5	7	8	5	5	1	−1	1	13	24	10	2	7	12	9	8		5
Apr.	89	4	3	3	1	5	6	7	3	5	1	−1	1	5	25	13	0	5	7	3	7		6
May	89	4	2	3	1	4	5	6	4	6	2		1	5	22	8	3	6	6	1	5		5
June	89	3	1	3	0	5	4	6	5	5	0		2	6	21	11	0	3	9	3	2		5
July	89	3	0			4			−1									2	7				
Ten Year Annual Growth Rate, Percent																							
1976-86		**3**	**3**	**3**	**3**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**4**	**4**	**3**	**3**	**8**	**8**	**7**	**7**		**2**